

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1989**

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**SENATE BILL 1600**

Short Title: Economic Future Study Commission.

(Public)

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Sponsors: Senator Basnight.

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Referred to: Appropriations.

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June 6, 1990

**A BILL TO BE ENTITLED**

**AN ACT TO CREATE THE ECONOMIC FUTURE STUDY COMMISSION.**

Whereas, in recent months there have been numerous proposals for changes in specific State taxes in response to the immediate needs of the State; and

Whereas, State government and the State's economy depend on the fairness, efficiency, and effectiveness of the State and local tax system; and

Whereas, the tax structure of the State as compared to other states in the South and in the nation as a whole can affect economic development through its impact on decisions by businesses and individuals to locate in North Carolina; and

Whereas, North Carolina is considered a low tax State, and by maintaining this reputation it can continue to attract foreign and domestic investment; and

Whereas, maintaining a positive tax environment will also encourage the growth of existing North Carolina businesses, and thus continue the healthy economic expansion of the past decade; and

Whereas, in considering its revenue and budget structure, the State should take a long-range, comprehensive view of the State and local system as a whole rather than a piecemeal, item-by-item approach; and

Whereas, a study of the overall revenue and budget structure in the context of other states' systems will assure that taxes and expenditures continue to reflect the priorities, needs, and economic realities of the State; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. The Economic Future Study Commission is created. The Commission shall:

- 1 (1) Review the State's needs for changes in the revenue and budget  
2 structure to meet the needs of the State over the long term;
- 3 (2) Make a comprehensive review of the State and local tax system,  
4 particularly in light of future economic trends that may affect revenues  
5 generated by existing taxes; and
- 6 (3) Recommend proposals to enhance the State's revenue position, adapt  
7 the State tax structure to changes in the economy, avoid placing undue  
8 tax burdens on any segment of the population, and preserve the  
9 positive impact of the tax structure on the economic future of the State.

10 Sec. 2. The Commission shall consist of 30 members to be appointed as  
11 follows:

- 12 (1) Two members of the Senate appointed by the President Pro Tempore  
13 of the Senate.
- 14 (2) Eight public members appointed by the President Pro Tempore of the  
15 Senate.
- 16 (3) Two members of the House of Representatives appointed by the  
17 Speaker of the House of Representatives.
- 18 (4) Eight public members appointed by the Speaker of the House of  
19 Representatives.
- 20 (5) Ten public members appointed by the Governor.

21 The President Pro Tempore of the Senate, the Speaker of the House of  
22 Representatives, and the Governor shall ensure that the members of the Study  
23 Commission are representative of all North Carolinians, including representatives of  
24 business and industry, professionals, educators, environmental advocates, low-income  
25 citizens, and consumers. The three appointing officers shall jointly designate one  
26 member to serve as chair of the Study Commission.

27 Sec. 3. Members appointed to the Commission shall serve until the  
28 Commission makes its final report. Vacancies on the Commission shall be filled by the  
29 same appointing officer who made the original appointments.

30 Sec. 4. Upon request of the Commission or its staff, all State departments  
31 and agencies and all local government agencies shall furnish to the Commission or its  
32 staff any information in their possession or available to them. The Commission, while  
33 in the discharge of official duties, may exercise all the powers provided for under the  
34 provisions of G.S. 120-19, and G.S. 120-19.1 through G.S. 120-19.4.

35 Sec. 5. The Commission shall submit a final report of its findings and  
36 recommendations to the 1991 General Assembly on or before February 1, 1991, by  
37 filing the report with the Speaker of the House of Representatives and President Pro  
38 Tempore of the Senate. The Commission shall terminate upon filing its final report.

39 Sec. 6. The Commission shall have its initial meeting on or before September  
40 1, 1990. The Commission shall meet upon the call of the chair.

41 Sec. 7. The Commission may contract for professional, clerical, or consultant  
42 services as provided by G.S. 120-32.02. Upon approval of the Legislative Services  
43 Commission, the Legislative Services Officer shall assign professional and clerical staff  
44 to assist in the work of the Commission. Clerical staff shall be furnished to the

1 Commission through the offices of House and Senate supervisors of clerks. The  
2 expenses of employment of the clerical staff shall be borne by the Commission. The  
3 Commission may meet in the Legislative Building or the Legislative Office Building  
4 upon the approval of the Legislative Services Commission. Commission members may  
5 travel to other states in order to examine other states' revenue and budget structures,  
6 upon the approval of the Legislative Services Commission.

7         Sec. 8. Members of the Commission shall receive per diem, subsistence, and  
8 travel allowances as follows:

- 9           (1) Commission members who are also General Assembly members, at  
10           the rate established in G.S. 120-3.1;
- 11           (2) Commission members who are officials or employees of the State or  
12           local government agencies, at the rate established in G.S. 138-6;
- 13           (3) All other Commission members, at the rate established in G.S. 138-5.

14         Sec. 9. There is appropriated from the General Fund to the General  
15 Assembly the sum of \$75,000 for the 1990-91 fiscal year to fund the Commission  
16 created by this act.

17         Sec. 10. This act shall become effective July 1, 1990.